

Decision \_\_\_\_\_

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking on the Commission's Own Motion to improve distribution level interconnection rules and regulations for certain classes of electric generators and electric storage resources.

Rulemaking 11-09-011  
(Filed September 22, 2011)

**DECISION GRANTING COMPENSATION TO THE CLEAN COALITION FOR  
SUBSTANTIAL CONTRIBUTION TO DECISION 14-12-035**

<b>Intervenor: Clean Coalition</b>	<b>For contribution to Decision (D.) 14-12-035</b>
<b>Claimed: \$27,885.00</b>	<b>Awarded: \$26,020.00</b> (reduced 6.7%)
<b>Assigned Commissioner: Michael Picker</b>	<b>Assigned ALJ: Maribeth A. Bushey</b>

**PART I: PROCEDURAL ISSUES**

<b>A. Brief description of Decision:</b>	The decision adopts modifications to Electric Tariff Rule 21 to capture technological advances offered by smart inverters. The decision was informed by recommendations on technical matters by the Smart Inverters Working Group, which was formed by parties in this proceeding.
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**B. Intervenor must satisfy intervenor compensation requirements set forth in Pub. Util. Code §§ 1801-1812:**

	<b>Intervenor</b>	<b>CPUC Verified</b>
<b>Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):</b>		
1. Date of Prehearing Conference (PHC):	Feb. 16, 2012	February 16, 2012
2. Other specified date for NOI:	Oct. 27, 2011*	See I.C Additional Comments
3. Date NOI filed:	Dec. 8, 2011	December 8, 2011
4. Was the NOI timely filed?		

Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	R.10-05-006	R.10-05-006
6. Date of ALJ ruling:	July 19, 2011	July 19, 2011
7. Based on another CPUC determination (specify):		
8. Has the Intervenor demonstrated customer or customer-related status?		Yes.
Showing of “significant financial hardship” (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	R.10-05-006	R.10-05-006
10. Date of ALJ ruling:	July 19, 2011	July 19, 2011
11. Based on another CPUC determination (specify):		
12. Has the Intervenor demonstrated significant financial hardship?		Yes.
Timely request for compensation (§ 1804(c)):		
13. Identify Final Decision:	D.14-12-035	D.14-12-035
14. Date of issuance of Final Order or Decision:	Dec. 22, 2014	December 22, 2014
15. File date of compensation request:	Feb. 20, 2015	February 20, 2015
16. Was the request for compensation timely?		Yes

### C. Additional Comments on Part I:

#	Intervenor’s Comment(s)	CPUC Discussion
I.B.2	Order Instituting Rulemaking (OIR) 11-09-011 (issued on Sept. 27, 2011) stated that as no PHC was currently set, the NOI should be filed within 30 days of the issuance of the OIR. <i>See</i> OIR, p. 14. However, the OIR also stated that if a PHC was held, the NOI could be filed within 30 days of the date of the PHC. <i>See</i> OIR, p. 14, n. 7, citing Rule 17.1(a)(1). Thus, the NOI was timely filed.	<p>R.11-09-011 stated, with no PHC currently set, the NOI should be filed within 30 days from the date that the OIR was issued (Sept 27, 2011). However, a PHC was later held on February 16, 2012.</p> <p>As the Commission subsequently convened a PHC in the proceeding, the Clean Coalition NOI is timely pursuant to Rule 17.1(a)(2).</p> <p>Rule 17.1(a)(2) states:</p> <p>If it has been preliminarily determined that a hearing is not needed, [a notice of intent to claim compensation may be filed] any time after the start of the proceeding until 30 days after the time for filing responsive pleadings (e.g., protests, responses, answers, or comments). If a prehearing conference is later held, the notice may be filed pursuant to subsection (a)(1). <i>Emphasis added.</i></p> <p>Rule 17.1(a)(1):</p>

		In a proceeding in which a prehearing conference is held, [a notice of intent to claim compensation may be filed] any time after the start of the proceeding until 30 days after the prehearing conference.
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**PART II: SUBSTANTIAL CONTRIBUTION****A. Did the Intervenor substantially contribute to the final decision (see § 1802(i), § 1803(a), and D.98-04-059).**

Intervenor's Claimed Contribution(s)	Specific References to Intervenor's Claimed Contribution(s)	CPUC Discussion
<p><b>1. Technical Recommendations as part of the Smart Inverter Working Group.</b> The Clean Coalition has been a leading Party in this proceeding. Prior to the institution of this phase of the proceeding, beginning in 2012 we advocated for development of Advanced Inverter Functions and Standards. The Clean Coalition also provided formal input that was incorporated in the 2012 California Energy Commission Integrated Energy Policy Report on this topic. (Note: None of these hours prior to this phase of the proceeding are claimed here).</p> <p>Starting in March of 2013, the Clean Coalition participated in the Smart Inverter Working Group (SIWG), which was to make technical recommendations regarding advanced inverters and modification of guideline IEE 1547a. We participated fully in the SIWG, making recommendations and reviewing all of the proposals suggested by other parties.</p> <p>The Clean Coalition filed detailed comments following the public workshop on this topic (see: Clean Coalition Opening</p>	<p>In January 2014, the SIWG issued its "Recommendations for Updating the Technical Requirements for Inverters in Distributed Energy Resources." See D.14-12-035, p. 4. The utilities filed Advice Letters conforming to the recommendations on July 18, 2014. Parties commented on the Advice Letters on Aug. 18, 2014. The recommendations of the SIWG "developed largely through consensus" were adopted by the Commission. D.14-12-035, p. 7.</p> <p>The final recommendations submitted by the SIWG and as adopted by the Commission largely reflect the Clean Coalition technical and procedural positions in comments and replies to the June 21, 2013 Workshop regarding the applicability and schedule for implementation of requirements for advanced inverter functionality.</p>	Verified.

<p>Comments on the June 21 2013 Workshop on Smart Inverter Functionalities and Recommendations for Updating Technical Requirements in Rule 21, filed 31 July 2013 pp 2-6); and technical comments (see: Clean Coalition Reply Comments on the June 21 2013 Workshop on Smart Inverter Functionalities and Recommendations for Updating Technical Requirements in Rule 21, filed August 30<sup>th</sup>, 2013, pp 4, 5, 9-12, 14).</p> <p>In these comments the Clean Coalition recommended that advanced inverter functionality be required in new installations and that updated technical standards be adopted.</p> <p>We reached consensus with the rest of the SIWG in issuing recommendations to the CPUC in January 2014.</p> <p>In ensuing comments during the proceeding, Clean Coalition fully supported the SIWG recommendations. <i>See</i> Clean Coalition Comments on Joint Motion to Adopt Revisions to Electric Tariff Rule 21 to Include Implementation of Smart Inverter Functionalities (“Clean Coalition Comments”) (filed Aug. 18, 2014), pp. 3, 5.</p>		
<p><b>2. Timing of Mandatory Adoption.</b> The Clean Coalition recommended a delayed mandatory date for the advanced inverter requirements, necessary because adopters would need time to respond to new standards that would be developed. Clean</p>	<p>The Commission adopted the mandatory adoption date of the later date of (1) Dec. 31, 2015 (12 months after Commission adoption of the revised Tariff), or (2) 12 months following approval of updated standards by the Underwriters Laboratory Standards Technical Panel.</p>	<p>Verified; but we note Clean Coalition put forth arguments that were duplicative of other parties on this issue. This demonstrates that these parties failed to</p>

Coalition recommended a mandatory adoption date of the later date of: (1) 18 months following Commission adoption of the Tariff modifications, or (2) 12 months following approval of updated standards by the Underwriters Laboratory Standards Technical Panel. <i>See</i> Clean Coalition Comments, pp. 5-6.	The Commission recognized the need to allow for parties to respond to new standards adopted by the Standards Technical Panel. <i>See</i> D.14-12-035, pp. 9-10.	adequately coordinate, resulting in duplication. <sup>1</sup> <i>See</i> Comments.
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**B. Duplication of Effort (§ 1801.3(f) and § 1802.5):**

	<b>Intervenor 's Assertion</b>	<b>CPUC Discussion</b>
<b>a. Was the Office of Ratepayer Advocates (ORA) a party to the proceeding?<sup>2</sup></b>	Yes	Yes.
<b>b. Were there other parties to the proceeding with positions similar to yours?</b>	Yes	Yes.
<b>c. If so, provide name of other parties:</b> Fronius USA LLC (Fronius), Power-One, Schneider Electric (Schneider), California Energy Storage Alliance, Empower Micro Systems, Inc., Clean Coalition, Enphase Energy, and Apparent Energy		Verified.
<b>d. Intervenor's claim of non-duplication:</b> Clean Coalition was joined in the SIWG by many of the parties (and by utility staff) that also filed comments in support of the SIWG recommendations. The SIWG worked by taking the proposals and positions of all its members and by reaching a consensus. By the time the January 14, 2014 recommendations were forwarded to Commission staff, the SIWG as a whole supported the recommendation, although some small fine-tuning was still appropriate. The SIWG was a collaborative process, so by necessity there was some duplication. However, in reaching consensus on the issues through the SIWG, efficiency was achieved by not requiring extended discussion on contested issues in formal comments.  The Clean Coalition was the leading Party advocating for updating the		While we accept Clean Coalition's assertion that its work on the SIWG was non-duplicative, there was significant duplication on the issue of timing of mandatory adoption. The decision's outcome balanced the recommendation of multiple commenters and the utilities,

<sup>1</sup> 2015 Cal. PUC LEXIS 264 (Cal. PUC 2015).

<sup>2</sup> The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013: public resources), which was approved by the Governor on September 26, 2013.

Rule 21 technical standards through the Phase I Settlement process and scoping of Phase II issues in this proceeding, and the sole Party contributing to CEC 2012 IEPR coordination on this topic in advance of the formation of the SIWG. The Clean Coalition specifically noted collaboration with members of the the Smart Inverter Working Group, and in particular SIEA, CALSIEA, and the DRA in working toward consensus positions on issues.	whose recommendations more closely reflected the final outcome and were mentioned in the decision.
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### PART III: REASONABLENESS OF REQUESTED COMPENSATION

#### A. General Claim of Reasonableness (§ 1801 and § 1806):

<b>a. Intervenor's claim of cost reasonableness:</b>	<b>CPUC Discussion</b>
<p>The Clean Coalition contributed to D.14-12-035 mainly through our early recognition and advocacy of this topic in the Proceeding and participation in the SIWG. We contributed our technical knowledge to the SIWG, so that the Electric Tariff Rule 21 could be appropriately revised to recognize the new technological capabilities of advanced inverters. Our technical knowledge of inverters, of the grid interconnection process as a whole, and the experience of foreign jurisdictions in implementation and standards contributed valuably to the process of the achieving technical recommendations in the SIWG.</p> <p>Our contribution will lead to a more efficient energy grid and to cost savings for ratepayers. The greater technical capabilities of advanced inverters provide for more cost effective control of the distribution grid and the network as whole, and especially for better control of voltage. <i>See</i> D.14-12-035, p. 3. Thus, problems with outages and short circuits can be avoided. Ratepayers will see cost saving as a result of Clean Coalition's work in the SIWG and in the proceeding.</p> <p>Moreover, advanced inverters are better able to integrate renewable generation and energy storage, due to the better voltage control. <i>See</i> D.14-12-035, p. 3. Thus, Clean Coalition's work will result in increasingly cost-effective renewable energy. This will result in environmental benefits for ratepayers, as the energy grid can reduce reliance on traditional energy resources, which emit greenhouse gases, ozone, particulate matter, and hazardous air pollutants.</p>	Accepted.
<p><b>b. Reasonableness of hours claimed:</b></p> <p>The Clean Coalition contributed to D.14-12-035 mainly through our early recognition of the need for advanced inverter functionality in California's rapidly developing market and through participation in the SIWG.in developing detailed technical recommendations. The work involved a great deal of research and discussion among SIWG members. Proposals</p>	Accepted.

were vetted by a number of parties, representing varying stakeholders (utility, energy project developers, the technology industry, etc.) in order to ensure a truly successful outcome. Although the work of the SIWG was intensive in terms of the number of hours devoted, it resulted in an efficient use of time, as once the SIWG made its “Recommendations for Updating the Technical Requirements for Inverters in Distributed Energy Resources” in January 2014, a consensus had already been achieved. The utilities adopted the recommendations efficiently through Advice Letters and the formal comments on the Advice Letters was of a limited nature (one set of comments and one set of reply comments, neither extensive).

In the interests of efficiency, we do not claim a limited number of hours spent in filing Reply Comments SIWG Phase 2 Communication Protocols (on Nov. 14, 2014), as the Commission did not issue any finding on the topic we discussed (applying a cost effectiveness standard to new advanced inverter standards). Moreover, Clean Coalition did not file comments on the Proposed Decision that led to D.14-12-035, as we felt the issues had been satisfactorily resolved.

The hours we claim for work in the SIWG represent a great deal of technical expertise. Although we have spent a significant amount of time developing this expertise regarding interconnection and advanced inverters, only those staff hours spent specifically developing the recommendations for the SIWG and briefly commenting in this proceeding are part of this compensation request.

Director of Economics and Policy Analysis Kenneth Sahm White provided most of the staff hours participating in the Proceeding in advance of and subsequent to the SIWG, but restricted his participation in the working group meetings to limit his hours. He drafted much of the text that contributed to the recommendation of the SIWG. He also drafted the formal comments in the proceeding. Mr. White’s requested rates of \$290 and \$300 reflect the significant level of expertise he has developed working on energy issues over more than 15 years, including 5 years practicing in front of the Commission.

Bob O’Hagan is the Program Engineer for Clean Coalition. He staffed the SIWG on behalf of Mr. White, providing his expertise in the meetings held by the SIWG. Mr. O’Hagan has an established rate of \$165, reflecting a great deal of technical expertise.

Policy Director Enrique Gallardo prepared the intervenor compensation claim. Mr. Gallardo has extensive experience before the Commission, and is very efficient in his work.

**c. Allocation of hours by issue:**

The work Clean Coalition performed within the SIWG is included in one issue. Another issue involves the timing of the date when the new tariff provisions for advanced inverters will become mandatory. Finally, a final issue involves Clean Coalition's advocacy regarding the cost effectiveness of telecommunication functionality of advanced inverters.

**B. Specific Claim:\***

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate \$	Total \$
Kenneth Sahm White	2013	53.75	\$290	D.13-12-023 and ALJ-287	\$15,587.50	53.75	\$285	\$15,318.75
Kenneth Sahm White	2014	24	\$300	D.13-12-023 and ALJ-303	\$7,200.00	19.375	\$290	\$5,618.75
Robert O'Hagan	2013	21.5	\$165	D.14-12-075	\$3,547.50	21.5	\$165	\$3,547.50
Subtotal: \$26,335.00						Subtotal: \$24,485.00		
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate \$	Basis for Rate*	Total \$	Hours	Rate	Total \$
Enrique Gallardo	2015	5.5	\$200	D.14-12-068 and ALJ-303	\$1,100.00	5.5	\$200	\$1,100.00
Kenneth Sahm White	2015	3	\$150	D.13-12-023 and ALJ-303	\$450.00	3	\$145	\$435.00
Subtotal: \$1,550.00						Subtotal: \$1,535.00		
TOTAL REQUEST: \$27,885.00						TOTAL AWARD: \$26,020.00		
<p>**We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Intervenor's records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Travel and Reasonable Claim preparation time typically compensated at ½ of preparer's normal hourly rate.</p>								



ATTORNEY INFORMATION			
Attorney	Date Admitted to CA BAR <sup>3</sup>	Member Number	Actions Affecting Eligibility (Yes/No?) If "Yes", attach explanation
Enrique Gallardo	December 9, 1997	191670	From May 27, 2015 until June 26, 2015, Gallardo was ineligible to practice law due to a disciplinary action administered by the State Bar of California.

**D. CPUC Disallowances and Adjustments:**

Item	Reason
Disallowance for duplication of efforts.	There was significant duplication on the Timing of Adoption Issue. As such we reduce Clean Coalition's claim by 4.625 hours for work White spent on this issue in 2014.
Kenneth Sahm White's hourly rate(s).	We apply the 2.58% COLA (ALJ-303) to White's 2013 rate, and authorize him an hourly rate of \$290 for work he completed in 2014. As no COLA increase was adopted by the 2015 Resolution, we award White the rate of \$290 per hour for work he completed in 2015.

**PART IV: OPPOSITIONS AND COMMENTS**

<b>A. Opposition: Did any party oppose the Claim?</b>	No.
<b>B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(c)(6))?</b>	Yes.

**FINDINGS OF FACT**

- Clean Coalition has made a substantial contribution to D.14-12-035.

<sup>3</sup> This information may be obtained through the State Bar of California's website at <http://members.calbar.ca.gov/fal/MemberSearch/QuickSearch>.

2. The requested hourly rates for Clean Coalition's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$26,020.00.

**CONCLUSION OF LAW**

1. The Claim, with any adjustment set forth above, satisfies all requirements of Pub. Util. Code §§ 1801-1812.

**ORDER**

1. Clean Coalition shall be awarded \$26,020.00.
2. Within 30 days of the effective date of this decision, Pacific Gas and Electric Company, Southern California Edison, and San Diego Gas & Electric shall pay Clean Coalition their respective shares of the award, based on their California-jurisdictional electric and gas revenues for the 2013 calendar year, to reflect the year in which the proceeding was primarily litigated. Payment of the award shall include compound interest at the rate earned on prime, three-month non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning May 6, 2015, the 75<sup>th</sup> day after the filing of Clean Coalition's request, and continuing until full payment is made.
3. The comment period for today's decision is waived.

This decision is effective today.

Dated \_\_\_\_\_, at San Francisco, California.

**APPENDIX****Compensation Decision Summary Information**

<b>Compensation Decision:</b>		<b>Modifies Decision?</b>	No
<b>Contribution Decision(s):</b>	D1412035		
<b>Proceeding(s):</b>	R1109011		
<b>Author:</b>	ALJ Bushey		
<b>Payer(s):</b>	Pacific Gas and Electric Company, Southern California Edison, and San Diego Gas & Electric Company		

**Intervenor Information**

<b>Intervenor</b>	<b>Claim Date</b>	<b>Amount Requested</b>	<b>Amount Awarded</b>	<b>Multiplier?</b>	<b>Reason Change/Disallowance</b>
Clean Coalition	2/20/15	\$27,885.00	\$26,020.00	N/A	Differences in authorized rates; Adjustment for duplication.

**Advocate Information**

<b>First Name</b>	<b>Last Name</b>	<b>Type</b>	<b>Intervenor</b>	<b>Hourly Fee Requested</b>	<b>Year Hourly Fee Requested</b>	<b>Hourly Fee Adopted</b>
Kenneth	White	Expert	Clean Coalition	\$290	2013	\$285
Kenneth	White	Expert	Clean Coalition	\$300	2014	\$290
Kenneth	White	Expert	Clean Coalition	\$300/\$150	2015	\$290/\$145
Robert	O'Hagan	Expert	Clean Coalition	\$165	2013	\$165
Enrique	Gallardo	Attorney	Clean Coalition	\$400/\$200	2015	\$400/200

**(END OF APPENDIX)**